

AG Contract No. KR99 1650TRN
ADOT ECS File: JPA 99-115
Project: G1050 82
Section: Cowtown Road ESP Grant

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
PINAL COUNTY

THIS AGREEMENT is entered into 30 November, 1999,
pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954, as amended,
between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF
TRANSPORTATION (the "State") and PINAL COUNTY, acting by and through its
BOARD OF SUPERVISORS (the "County")

I. RECITALS

1. The State is empowered by Arizona Revised Statutes Section 28-401 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The County is empowered by Arizona Revised Statutes Section 11-201 and 28-7282 et seq to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the County.

3. The County has requested Economic Strength Project (ESP) funds in the amount of \$195,000.00; the Commerce and Economic Development Commission have recommended the approval of such funds for the County, and the Transportation Board has approved the funding, for the construction of improvements to Cowtown Road from White & Parker Road to Fuqua Road to provide improved access, and aid in the retention and development of local business, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

=====

NO. 23706

Filed with the Secretary of State

Date Filed: 11/30/99

Betsy Bayless

Secretary of State

By Nick V. Graenwood

II. SCOPE

1. The County will:

a. Insure the additional commitment of 60.51% of the total estimated Project cost, or \$298,822.00, whichever is more, from the County or other sources (not including ESP funds) to the Project. Accomplish construction of the Project by public bidding, in strict compliance with State procurement laws, rules and regulations. Upon completion, approve and accept the Project on behalf of the County and provide maintenance.

b. No more often than monthly, invoice the State for ESP funds (Arizona Department of Commerce, ATTN: Sandra Brown, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012), in an amount not to exceed \$195,000.00.

c. Provide the State a copy of the executed Project contract(s), and draw down and expend the State ESP funds no later than twelve (12) months after the effective date of this agreement. Provide the State detailed written reports of all ESP fund expenditures, supported by invoices, receipts or other suitable and appropriate documentation, and a final accounting report no later than thirty (30) days after ESP funds are fully expended.

d. Reimburse the State any funds received from the State under this agreement which are not specifically and directly expended in compliance with the ESP grant application, which is attached hereto and made a part hereof, and are subsequently disallowed by the State.

e. Provide the State (Arizona Department of Commerce, ATTN: Sandra Brown, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012) with quarterly Project status reports, and one year after completion of the Project, a written Economic Impact Report detailing the direct and indirect impact of the Project, to include jobs created, jobs retained and related data.

2. The State will:

Within thirty (30) days after receipt and approval of the ESP contract(s) and subsequent monthly progress payment invoices, reimburse the County for work completed on the Project funds in an amount not to exceed \$195,000.00.

III. MISCELLANEOUS PROVISIONS

1. The only interest of the Department of Transportation in the Project is to convey economic strength pass through funds for the use and benefit of the County by reason of state law under which funds for the Project are authorized to be expended.

2. The County agrees to indemnify and save harmless the State, or any of its departments, agencies, officers or employees, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance by the State of any of the provisions of this agreement. Costs incurred by the State, any of its departments, agencies, officers or employees shall include in the event of any action, court costs, expenses of litigation and attorneys fees.

3. The total amount of ESP funds expended under this agreement shall not exceed 39.49% of the total Project cost. Should the Project not be completed, be partially completed, or be completed at a lower cost than the advanced amount, or for any other reason should any of these ESP funds not be expended, a proportionate amount of the funds provided under this agreement shall be reimbursed to the State.

4. This agreement shall remain in force and effect until completion of said Project, reimbursement and subsequent reports; provided, however, that this agreement, except any provisions herein for maintenance, which shall be perpetual, unless assumed by another governmental agency, may be cancelled at any time prior to the award of a construction contract, upon thirty (30) days written notice to the other party. Further, this agreement may be terminated and the ESP grant cancelled by the State if the County, in the opinion of and by action of the Transportation Board, fails to pursue due diligence on the Project or in the performance of any of the terms of this agreement.

5. This agreement shall become effective upon filing with the Secretary of State.

6. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of State employees.

7. The provisions of Arizona Revised Statutes Section 35-214 pertaining to 5 year records retention by the County and audit by the State are applicable to this contract.

8. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

9. All notices or demands upon any party to this agreement, except as otherwise specified herein, shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 South 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007

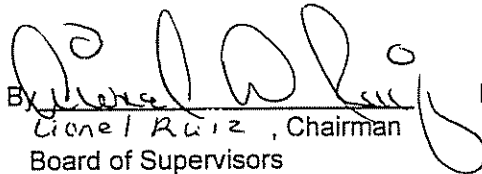
Pinal County
Public Works Director
PO Box 727
Florence, AZ 85232

10. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

PINAL COUNTY, ARIZONA

STATE OF ARIZONA
Department of Transportation

By 
Lionel Ruiz, Chairman
Board of Supervisors
10/27/99

By 
MARY LYNN TISCHER, Director
Transportation Planning

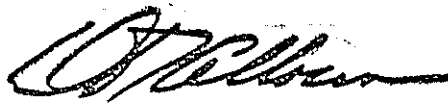
ATTEST:

By 
STANLEY D. GRIFFIS
Clerk of the Board

RESOLUTION

BE IT RESOLVED on this 19th day of July 1999, that I, the undersigned MARY E. PETERS, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with Pinal County for the purpose of defining responsibilities for conveying Economic Strength Program funds.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Director of Transportation Planning for approval and execution.

A handwritten signature in black ink, appearing to read 'D. Allocco', is written over a horizontal line.

DAVID R. ALLOCCO, P.E.
Assistant State Engineer
Engineering Technical Group
for Mary E. Peters, Director

When Recorded Return to:
Clerk, Pinal County
Board of Supervisors
P.O. Box 827
Florence, AZ 85232

RESOLUTION NO. 82599-CR

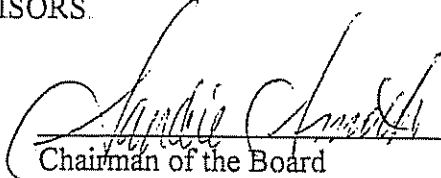
RESOLUTION OF THE PINAL COUNTY BOARD OF SUPERVISORS
AUTHORIZING PINAL COUNTY TO ENTER INTO INTERGOVERNMENTAL
AGREEMENT JPA 99-115 WITH THE STATE OF ARIZONA FOR DEFINING
RESPONSIBILITIES FOR THE CONVEYANCE OF ARIZONA ECONOMIC
STRENGTH PROJECT FUNDS TO PINAL FOR CONSTRUCTION OF
IMPROVEMENTS TO COWTOWN ROAD FROM WHITE & PARKER ROAD TO
FUQUA ROAD

WHEREAS, Pinal County has requested Arizona Economic Strength Project funds for construction of improvements to Cowtown Road from White & Parker Road to Fuqua Road, and the Arizona Commerce and Economic Development Commission has recommended approval of such funds and the Arizona Transportation Board has approved the funding; and

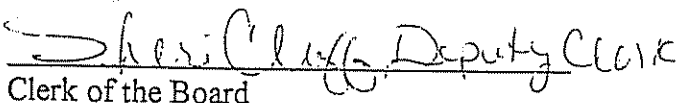
WHEREAS, the Pinal County Board of Supervisors has determined the need to define the responsibilities of Pinal County and the State of Arizona on the conveyance of these funds.

THEREFORE, BE IT RESOLVED: Pinal County is hereby authorized to enter into Intergovernmental Agreement JPA 99-115 with the State of Arizona, by and through its Department of Transportation, for the purpose of defining the responsibilities for the conveyance of Economic Strength Project funds from the State of Arizona to Pinal County for the construction of improvements to Cowtown Road from White & Parker Road to Fuqua Road.

PASSED AND ADOPTED this 25th day of August, 1999, by the
PINAL COUNTY BOARD OF SUPERVISORS.


Chairman of the Board

ATTEST:


Clerk of the Board

APPROVAL OF THE PINAL COUNTY ATTORNEY

I have reviewed the above-referenced proposed Intergovernmental Agreement between the State of Arizona, acting through its Department of Transportation, and Pinal County, and declare this agreement to be in proper form and within the powers and authority granted to the County under the laws of the State of Arizona.

DATED this 26th day of October, 1999.

ROBERT CARTER OLSON
PINAL COUNTY ATTORNEY

By Patricia A. Grieb
Patricia A. Grieb
Deputy County Attorney

**ECONOMIC STRENGTH PROJECTS
REQUEST FOR PROPOSAL
FY 1999 - ROUND 2
March 5, 1999**

APPLICATION FORM

NOTE: Additional information may be provided in attachments. Be sure to clearly reference and mark such additions and attachments.

1. NAME, ADDRESS, AND COUNTY OF APPLICANT(S):

Pinal County
Department of Public Works
P.O. Box 727
Florence, Arizona 85232

2. TYPE OF ORGANIZATION OF APPLICANT: (Check one)

- a) ☒ **Local Government only**
b) ☐ **Private Non Profit / Local Government Joint Application:**
 Name of Non Profit Agency Involved
 N/A
 Name of Local Government Involved
 N/A

3. Describe the function or purpose of applicant organization.

Pinal County is a political subdivision and administrative arm of the State charged with the delivery of State services within its geographic boundaries as defined by Arizona Revised Statutes. Over the years, Pinal County, as is true of all Arizona counties, has evolved into a general purpose local government which is largely self-standing, but with only limited power of self-determination and taxation.

Primary areas of responsibility of the County consist of criminal justice, include law enforcement, courts and corrections; public works, including highway construction and maintenance, flood control and landfills; property records, and property tax assessments and collections; elections and voter registration; health and human services, including indigent medical care, long-term care, public health services, public fiduciary, animal control, and air quality; public housing; planning and zoning; education; and recreation.

Pinal County is governed by a three-member Board of Supervisors and a Board-appointed County Manager. In addition, there are three Assistant County Managers reporting to the County Manager. This management team is effectively responsible to the electorate for the general direction, administration, and coordination of those affairs of the County which will fall within the Board's jurisdiction.

4. **Name, address, and phone number of contact person:**

Robert M. Davis, Director
Pinal County Department of Public Works
P.O. Box 727
Florence, AZ 85232
~~(602) 868-6411~~

520

5. **Describe the private sector project or activity for which the related ESP funding is requested.**

Arizona Grain, Inc. has recently constructed a \$7.5 million state-of-the-art Grain Storage and Processing facility in Pinal County on Cowtown Road five miles southeast of the town of Maricopa (Attachment C). Arizona Grain is a relatively small, private-held, locally owned grain milling company with headquarters in Casa Grande. The existing \$10 million facility located in Casa Grande has approximately 70 employees and is involved in buying, storing and shipping feed grains within Arizona as well as to other markets within the United States and abroad. Arizona Grain's durum wheats have a world-wide reputation for their superb milling qualities which enable milling companies to produce high quality flour.

The success of Arizona Grain in both the regional and global markets has led to the decision to expand their operations. The location which Arizona Grain has chosen is ideal for their expansion because it is in close proximity to the main plant in Casa Grande and is adjacent to two major customers - Maricopa Feed Yard and Pinal Feeding. The facility will produce in excess of 600,000 tons of grain per year, most of which will be shipped by truck and rail to the market; however, improvements at the new plant will also include an enclosed conveyor system to supply product directly to Pinal Feeding.

6. **Describe the Economic Strength Project for which funding is requested. Describe how the ESP project supports/relates to the private sector project described in #5 above.**

The ESP project involves reconstruction and paving of 1.3 miles of Cowtown Road from White & Parker Road to the plant entrance at Fuqua Road. White & Parker Road provides access across the Union Pacific Railroad tracks to the Maricopa-Casa Grande Highway which links up to State Route 347 in Maricopa and State Route 387 in Casa Grande. The roadway will be constructed to a modified Pinal County C-2 standard (Attachment D), a 28 foot wide roadway with 4 foot shoulders and 3 inches of asphaltic concrete over 8 inches of aggregate base material to handle the projected heavy truck traffic.

The construction of Cowtown Road is critical to the success of this private sector project. The existing Cowtown Road is narrow and unpaved, making it unsuitable for commercial/industrial traffic of this magnitude. In its current condition, Cowtown

Road is already very dusty and additional truck traffic is likely to pose a visibility problem on both Cowtown Road and the Maricopa-Casa Grande Highway which parallels Cowtown Road just across the railroad tracks. Furthermore, unless it is paved, Cowtown Road will become impassable during rainfall events and could remain closed for several days until County crews can provide maintenance. Although most of the expansion is substantially complete, relocation of the corporate offices to the site are dependent upon the improvements to the road.

7. Describe how the private sector project fits into the community's overall economic development efforts.

The Pinal County Comprehensive Plan for Area II (Attachment E) identifies the corridor from Maricopa to Casa Grande along the Union Pacific Railroad as an area suitable for industrial and commercial agricultural uses. In the past decade, this corridor has attracted a number of successful industrial operations due to the rail access and proximity to the Phoenix metropolitan area, including: Nissan/Calsonic Arizona Test Center, Volkswagen of America, Inc. (ESP supported project on Murphy Road 1992), Frito Lay, Ross Labs (ESP supported project on the Maricopa-Casa Grande Highway 1994), and Mobile-Mini Storage Systems. In addition, this corridor provides access to the Pinal Feeding, Maricopa Feedyard, the ASARCO in-situ mining operation near Casa Grande, and the Ak-Chin Industrial Park.

8. Describe how the supporting ESP project fits into the Community's overall economic development efforts.

The Maricopa-Casa Grande Highway was identified in the Pinal County Transportation Plan adopted in 1994 (Attachment F) as one of the four primary regional transportation corridors in need of major improvement to provide a safe and efficient transportation system and promote economic development. In 1993, Pinal County completed a corridor study for the Maricopa-Casa Grande Highway which calls for approximately \$15 million of improvements over the next 10 years. Pinal County is now underway with a major reconstruction of the entire Maricopa-Casa Grande Highway to support additional economic development in the area. The first \$2.89 million phase of the project involved the reconstruction and widening of 3.6 miles from State Route 387 in Casa Grande to Ethington Road. This project was completed in 1996 and included ESP assistance as well as federal funding assistance from ADOT; half cent sales tax from Pinal County and the City of Casa Grande; and private funding from Ross Labs and Frito Lay. The next \$1.4 million phase of the project will start in Maricopa at the opposite end of the corridor and extend 1.6 miles and include replacement of the Santa Rosa Wash Bridge. This project will utilize Pinal County half cent sales tax revenues as well as federal safety and bridge replacement funds from ADOT.

Pinal County's approach to development of a transportation system along this corridor has been to focus primarily on the Maricopa-Casa Grande Highway and seek joint-funding opportunities along the way for connector roads. To date, Pinal

County has completed improvements connecting to this corridor which include: Murphy Road, an ESP project with additional funding from Pinal County and Volkswagen; and White & Parker Road, with funding from Nissan/Calsonic Arizona Test Center along with Pinal County and the Ak-Chin Indian Community. Pinal County has also completed the first phase of improvements to Russell Road, a joint-funded project with AEC Watts, Inc. Funding for the Cowtown Road ESP project would enable Pinal County to develop another key link to the Maricopa-Casa Grande Highway Corridor in conjunction with the Department of Commerce and a private partner.

9. How will ongoing maintenance and repair be provided for the ESP project after construction/improvement?

After completion of the ESP project, maintenance of Cowtown Road will be provided by the Pinal County Public Works Department. Maintenance of this facility, as needed, will be included in the annual budget.

10. Description of ESP project. (Check one)

- a) ☒ This is an existing roadway.
- b) ☐ This is a new roadway.
- c) ☐ This is a bridge.
- d) ☐ This is an underpass.
- e) ☐ Other _____

11. Where is the private sector project located that is supported by this ESP project?

The new Arizona Grain facility is located at the southwest corner of Cowtown Road and Fuqua Road (Attachment C).

12. Where is the ESP project located? (Note: Attach site map(s) to the application.)

a. In the community:

The ESP project extends from White & Parker Road to Fuqua Road a distance of 1.3 miles (Attachment C). Cowtown Road lies just south and runs parallel to the Maricopa-Casa Grande Highway and the Union Pacific Railroad mainline track.

b. In relation to the related private sector project:

The ESP project will lead directly from White & Parker Road to the new Arizona Grain facility at the southwest corner of Fuqua Road and provide the only paved, all-weather access to the plant.

13. What is the length (in feet/miles) of the ESP project?

1.3 miles/7000 feet

14. What is the width (in feet) of the ESP project?

Paved width of 28 feet with 4 foot shoulders

In the jobs section below (Q15 - Q17), applicants must provide employment- and wage-related information for the private sector employers (existing or new) which the ESP fund is supporting. If these projects do not generate certain categories of jobs (job creation, job retention or seasonal jobs), those sections should be left blank.

15. JOB CREATION

a. Construction Phase

Does your project create any public or private construction jobs?

Yes X

No

If yes, complete the following; otherwise go to Q15.b.

(1) Number of construction jobs directly created by private sector 35

Number of days or months the construction jobs would last 6-12 mos.

Average hourly wages \$15

(2) Number of construction jobs directly created by public sector 0

Number of days or months the construction jobs would last N/A

Average hourly wages N/A

Note: List and provide the above information for each employer included in or supported by your ESP application.

b. Operation Phase

(1) Number of full-time permanent direct jobs created (in 2 years) 50
Average hourly wages \$12

(2) Number of part-time permanent direct jobs created (in 2 years) 10-15
Average number of hours per week 5-20
Average hourly wages \$30

Note: List and provide the above information for each employer included in or supported by your ESP application.

supported by your ESP application.

16. JOB RETENTION

- | | |
|---|------------|
| a. Number of permanent full-time direct jobs retained | <u>N/A</u> |
| Average hourly wages | <u>N/A</u> |
| b. Number of permanent part-time direct jobs retained | <u>N/A</u> |
| Average number of hours per week | <u>N/A</u> |
| Average hourly wages | <u>N/A</u> |
| c. How would the lack of the ESP project cause, or contribute to, the loss of these directly affected jobs? N/A | |

Note: List and provide the above information for each employer included in or supported by your ESP application.

17. SEASONAL JOBS

If seasonal jobs are a significant part of the operation of private businesses for which you have applied for ESP, complete the following. Otherwise, go to question 18.

- | | | |
|--|------------------|-------|
| a. Number of seasonal jobs created | <u>15</u> | 12.5% |
| Average number of days per year | <u>45</u> | |
| Average hourly wages | <u>\$10-\$14</u> | |
| b. Number of seasonal jobs retained | <u>N/A</u> | - |
| Average number of days per year | <u>N/A</u> | |
| Average hourly wages | <u>N/A</u> | |
| c. Further Clarifications | | |
| (1) Are the seasonal jobs created or retained for one year, or would they be occurring on an on-going basis year after year? | | |

Seasonal jobs created would be occurring on an on-going basis year after year.

Note: List and provide the above information for each employer included in or supported by your ESP application.

18. Capital Investment

- a) What kind of new, additional capital investment will be made by the private sector business or industry assisted by this ESP project? (Building, equipment, etc. at this site).
- Rail Pit- 6' wide x 6' depth x approximately 60' long with 24" variable pitch conveyor right and left center

- **Conveyor from Rail Pit to Jump Leg-** 40,000 Bushel per hour conveyor
- **Jump Leg-** 40,000 bushel per hour bucket elevator
- **Reversing Overhead Conveyor-** 40,000 bushel per hour reversing drag or enclosed belt conveyor from jump leg to bulk weigher
- **Bulk Weigher-** 40,000 bushel per hour bulk weigher with NTEP 88-185 and digital weight indicators
- **Truck Scales-** 11' x 70' pitless type truck scale with dump thru grate
- **Truck Dump Pit-** 6' x 6' hopper bottom pit with rack and pinion gate
- **Truck Dump Pit Conveyor-** 20,000 bushel per hour heavy duty commercial en-masse flat bottom drag conveyor from truck dump pit to 2-way valve to receiving leg
- **Main Receiving & Distributing Leg-** two, 20,000 bushel per hour bucket elevators; legs to be approximately 125' discharge height with 100 HP drives
- **Dual Electric Distributor-** 8 hole, 40,000 bushel per hour electric distributor
- **Spouting, Flanges and Transitions-** 1/4" thickness
- **Conveyors to Tanks-** Two, 40,000 bushel per hour conveyors from distributor to storage tanks; conveyors to be enclosed belt conveyors
- **Storage Bins-** Two, 90' diameter commercial corrugated storage bins; each bin to have a minimum capacity of 447,000 bushels
- **Office and Warehouse Buildings**

- b) **What is the purpose and dollar value of the new, additional capital investment that will be made by the private sector business or industry assisted by this ESP project?**

Grain Storage Facility	\$2,600,000
Union Pacific Railroad Spur	\$1,300,000
Dairy Feed Mill	\$2,000,000
Offices and Warehouses	<u>\$3,000,000</u>
Total	\$8,900,000

19. **Cost/Benefit Calculation**

What is the likelihood that benefit resulting from the project will exceed the costs of the project? Show detail of cost/benefit analysis used to determine the net benefits of this project. Note: Included in this analysis should be the projected annual taxes (real and property) to be generated by the planned retail stores and other businesses being assisted and the taxes (state and local) to be paid by the workers who will be employed by these businesses.

The cost to construct Cowtown Road is estimated at \$495,000 in 1999. Nonrecurring revenues of \$8,900,000 consist of the initial capital investment by Arizona Grain, Inc. to construct the grain storage and processing facility. The annual return on investment after startup is approximately \$2,147,200 per year over the lifetime of the investment. Recurring revenues are from real and personal property taxes, payroll, and subcontracts for goods and services paid to local suppliers.

Capital Improvements. The cost to construct the grain storage and processing facilities is approximately \$8,900,000. Construction materials and services are

anticipated to be purchased within Arizona.

Payroll. Approximately 50 additional jobs paying an average hourly rate of \$15.00 are expected to be generated to operate the facility. An additional 13 part-time permanent positions are anticipated to perform specialized tasks at an average rate of \$30.00 per hour. Estimated annual payroll revenue from the new facility is \$1,552,200.

Operating Services & Supplies. Recurring operating expenses for goods and services purchased from local suppliers is estimated at \$375,000. The operating supplies realization rate of 5% is estimated based on the capital investment of the facility and industry practices.

Real and Personal Property Taxes. Property taxes for the Arizona Grain complex is based on a tax rate for similar commercial investments in real and personal property. An assessed value of \$1,875,000 is equivalent to the full cash value of the improvements multiplied times the commercial assessment ratio of 25%. The assessed value times the tax rate of 16% produces annual tax revenues of \$225,000.

NONRECURRING REVENUES	YEAR		\$8,900,000
Grain Storage Facility	1	\$2,600,000	
Union Pacific Railroad Spur	1	\$1,300,000	
Dairy Feed Mill	1	\$2,000,000	
Offices and Warehouses	2	\$3,000,000	
NONRECURRING COSTS - Cowtown Road	1		\$495,000
NONRECURRING NET INCOME			\$8,405,000
RECURRING REVENUES - ANNUAL			\$2,152,200
(1) Payroll	2 to 5	\$1,552,200	
(2) Operating Supplies	2 to 5	\$375,000	
(3) Real & Personal Property Tax	2 to 5	\$225,000	
RECURRING COSTS - ANNUAL			\$5,000
Cowtown Road Maintenance Costs	2 to 5	\$5,000	
RECURRING NET INCOME			\$2,147,200
NET PRESENT VALUE			\$13,112,777
Annual Periods		5	
Annual Discount Rate		8%	
INTERNAL RATE OF RETURN			1597%

(1) Payroll: $(50 \text{ FTE} \times \$12/\text{Hr} \times 2080 \text{ Hr/Yr}) + (13 \text{ PT} \times 15 \text{ Hr/Wk} \times \$30/\text{Hr} \times 52 \text{ Wk/Yr})$

(2) Supplies: Nonrecurring Revenues x
5%

(3) Real & Personal Tax: $(\text{Full Cash Value} \times \text{Assessment Ratio} \times \text{Tax Rate})$
or $(\$7.5\text{M} \times 25\% \times 16\%)$

20. What community(ies) will benefit from this project? How will each listed community benefit?

The Arizona Grain Storage & Processing Plant will have a major, positive impact on the region through an increased tax base; creation new local employment; purchase of local goods, materials and services; and availability of affordable grain to support local cattle and dairy feeding operations. Communities which will be impacted include: the City of Casa Grande, the town of Maricopa, the town of Stanfield, the Ak-Chin Indian Community, and the Gila River Indian Community.

21. List the names of local economic development organizations, and a contact person for each, which are involved with this private sector project. Attach documentation (letters of support, etc.) showing the involvement and level of support of each organization.

(Attachment G)

Peter P. Philippi, Construction Director
Arizona Grain, Inc.

Scott Harrison, Operations Manager
Pinal Feeding Co.

William F. Sawyer, Sr., President
Maricopa Feedyard, L.L.C

Dennis Cady, Director
Pinal County Planning & Development Services

Helen Neuharth, Executive Director
Greater Casa Grande Chamber of Commerce

Alma Farrell, President
Maricopa Community Chamber of Commerce

Lori Gary, Executive Director
Greater Casa Grande Valley Economic Development Foundation

Maxine Leather, Executive Director
Central Arizona Association of Governments

Ron Wiseman, Chairman
Pinal County Transportation Advisory Committee, District III

22. What is the total cost of the entire project?

\$8,900,000

23. What is the total cost of the ESP portion of the project?

\$495,000

24. Complete and attach the Budget Detail Schedule (Attachment A).

25. Complete and attach the Sources and Uses Schedule (Attachment B).

26. Of the total ESP project cost listed in #23 above, how much financial assistance are you requesting from the Economic Strength Projects Fund?

\$195,000

27. List the sources and amounts of matching funds (both private and public) that will be a part of the total direct ESP project cost.

- a) Public Funds:

- (1) Name of public entity contributing the match.

	Amount
Pinal County	\$200,000 <i>totals</i>

- (2) Cash match contributed to the project.

- Source (general fund, grants, HURF, etc.)

	Amount
Pinal Co. District 3 1/2-cent sales tax	\$163,684

- (3) In-kind match contributed to the project.

- Type of match (force account labor, construction management, materials, etc.)

	Amount
Force account labor for Project/ Construction Management	\$36,316

- b) Private Sector funds:
Name of private sector company(ies) contributing
matching funds to the ESP project, (if any)

	Amount
Arizona Grain, Inc.	\$100,000

28. Local utility or other infrastructure expenditures:

a) What indirect local public utility or other infrastructure expenditures will need to be made in connection with (1) the private sector project, and (2) the ESP project? For example, expansion of water or waste water treatment facilities due to demands of the new business which the ESP project is assisting; extension of utility lines, major drainage improvements, etc.).

(1)	<u>IMPROVEMENT</u>	<u>COST</u>
	Electric Services	\$25,000
	<u>Water Service</u>	<u>\$10,000</u>
	Total	\$35,000

(2) None

29. How will the infrastructure expenditures listed in #28 above be funded?

All utility and infrastructure improvements other than the Cowtown Road ESP project will be privately funded by Arizona Grain, Inc.

30. How soon after receiving approval of your ESP proposal could you begin construction on:

(a) The private sector project?(e.g., days, months)

The expansion was complete in December 1998, with the exception of the warehouse and offices which are scheduled to be complete , March 2000.

(b) The ESP project?(e.g., days, months)

6 months

31. How long will the private sector project take to complete from start to finish? (e.g., days, months)

September 1997 to March 2000

How long will the ESP project take to complete from start to finish? (e.g., days, months)

7 months (includes design, bid, construction)

32. List below the major milestone activities to be completed in the project and the time schedules for each. Note: Include the construction dates and purchase dates of the capital investments of the private sector.

<u>ACTIVITY</u>	<u>START DATE</u>	<u>END DATE</u>
Design	07/01/99	09/30/99
Bid	10/01/99	10/31/99
Subgrade Construction	11/01/99	11/30/99
Base Construction	12/01/99	12/31/99
Paving	01/01/00	02/01/00
Office/Warehouse	08/01/99	03/01/00

33. Is there any opposition to either the private sector project or the ESP project? If so, from whom and what is the nature of the opposition?

No

34. Is project located in disadvantaged area of state?

Yes

Rural area of state?

Yes

Enterprise Zone area of state?

Yes

35. Has this applying entity ever received any previous ESP grant funds.

NO _____ YES _____ X _____

<u>DATE RECEIVED</u>	<u>NAME</u>	<u>AMOUNT RECEIVED</u>
06/01/92	Murphy Road	\$230,000
09/23/93	Pinal Airpark Road	\$200,000
05/10/94	CCA Loop Road	\$ 77,000
08/23/95	Maricopa-Casa Grande Hwy.	\$292,834

Note: Economic Impact Letters have been submitted for the above projects.

36. Certification:

I certify that this project is compatible with other transportation facilities and conforms to all applicable construction and engineering standards.

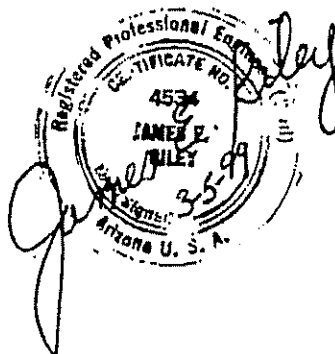
NAME: James E. Riley, P.E. DATE: March 5, 1999

TITLE: County Engineer

SIGNATURE: 

NAME OF CONTACT PERSON: Robert M. Davis, Pinal County Department of Public Works

TELEPHONE NUMBER (520) 868-6411



ECONOMIC STRENGTH PROJECTS - BUDGET DETAIL SCHEDULE
Cowtown Road Improvements (Fuqua Road to White & Parker Road)

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCH/ENG COSTS	TOTAL ACTIVITY COSTS
Survey, Design & Engineering	N/A	N/A	N/A	\$45,396.00	\$45,396.01
Drainage Improvements	LUMP SUM	LUMP SUM	\$30,000.00	N/A	\$30,000.00
Excavation	\$3.44	10370 CY	\$35,673.00	\$0.00	\$35,673.00
Subgrade	\$2.30	10370 CY	\$23,851.00	\$0.00	\$23,851.00
Agregate Base Coarse	\$3.33	31111 SY	\$103,703.33	\$0.00	\$103,703.33
Asphalt Concrete	\$6.66	31111 SY	\$207,406.66	\$0.00	\$207,406.66
Project Administration	N/A	N/A	N/A	\$36,316.00	\$36,316.00
Traffic Control	N/A	N/A	N/A	\$4,086.00	\$4,086.00
Traffic Signing & Striping	\$1.10	7000 LF	\$7,700.00	\$0.00	\$7,700.00
TOTALS			408,024	85,198	\$493,222

CY = Cubic Yards
SF = Square Feet

ATTACHMENT B

SOURCES AND USES STATEMENT

I. USES:

A. Private Sector Related

1.	Acquisition of Existing Building with land	\$ 0
2.	Site Acquisition (vacant land)	\$ 0
3.	New building construction	\$ 5,600,000
4.	Remodeling	\$ 0
5.	Machinery and Equipment	\$ 2,000,000
6.	Site preparation	\$ 0
7.	Other <u>Union Pacific RR Spur</u>	\$ 1,300,000
	Sub Total	\$ 8,900,000

B. Public Sector Related

1.	Total ESP project improvements (Grand Total of Total Activity Costs in Attachment A and Item 23 in the Application)	\$ 495,000
2.	Local public sector improvements (Infrastructure improvements directly related to the project and located on or contiguous to the project site. Do not include ESP related costs here)	\$ 0
		\$ 0
3.	Other	\$ 0

C. Total Uses \$ 9,395,000 *

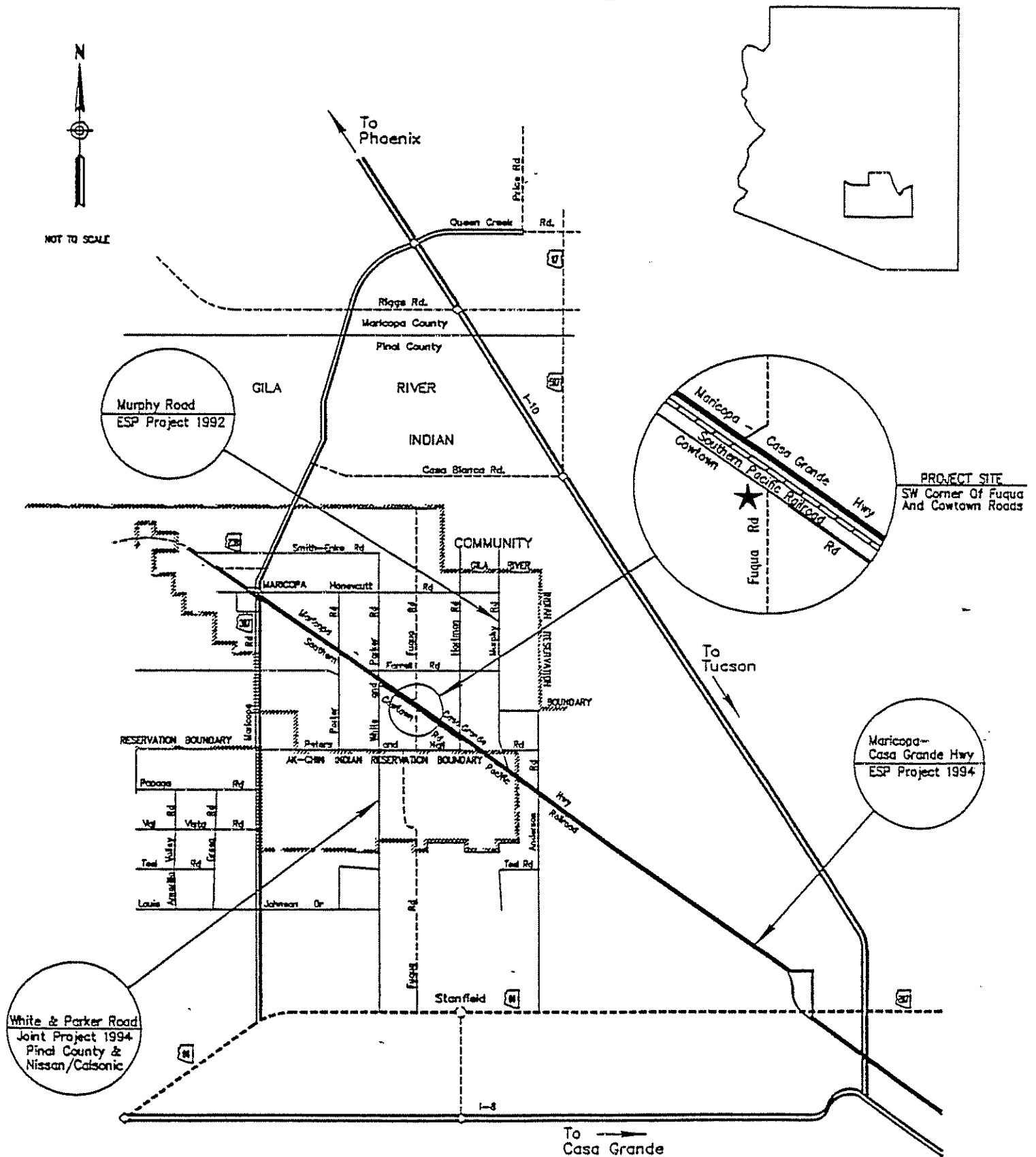
II. SOURCES:

A.	Private sector project investment ((Item 18 b) Total))	\$ 8,900,000
B.	Local public sector (direct project related)	\$ 36,316
C.	Economic Strength Projects Fund (State funds) (Item 26)	\$ 195,000
D.	ESP match	
	(2) From the public sector ((Items 27 a)(1)(2) &(3))	\$ 163,684
	(1) From the private sector ((Item 27 b))	\$ 100,000
E.	Other	\$ 0
F.	Total Sources	\$ 9,395,000 *

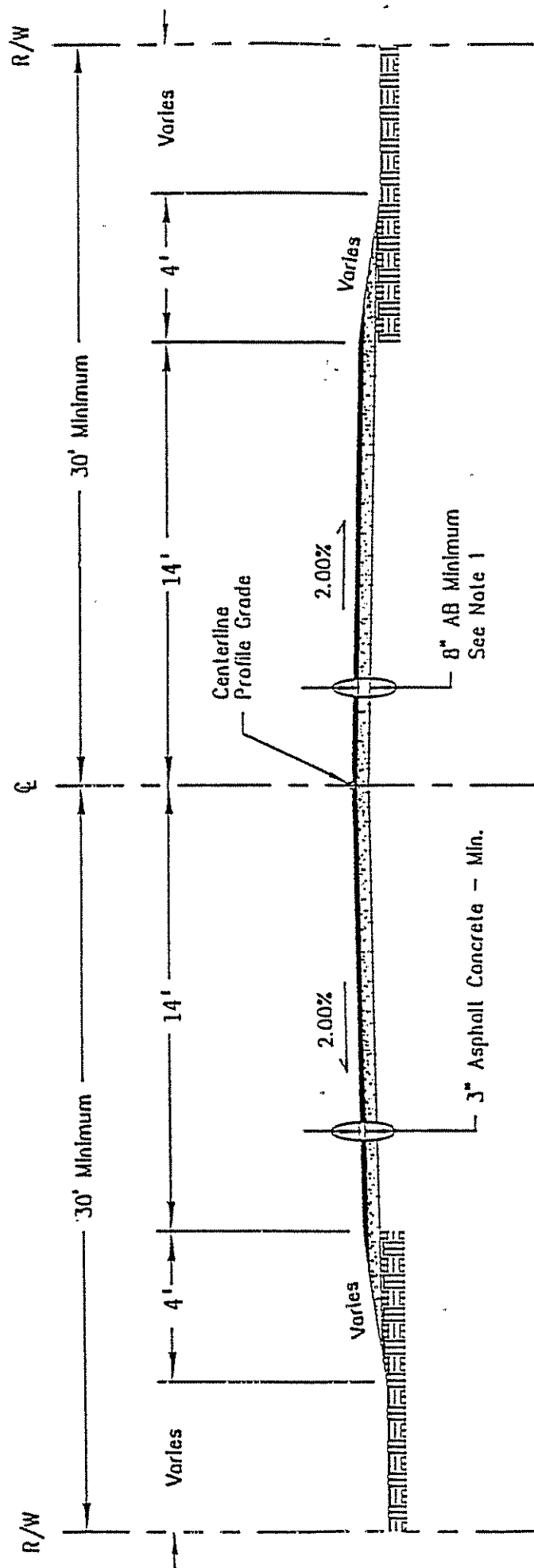
* Total Uses (I.C.) must equal Total Sources (II.F.)

(Attachment "C")

ESP Grant Request for Cowtown Road Improvements Location Map



ATTACHMENT D



Compaction Requirements
 Top 6" Subgrade 95%
 A.B.C. 100%
 As established by
 AASHTO 199 method A or C

Note 1.
 Base material thickness to be
 established by soil samples of
 subgrade.

Note 2.
 Roadway ditches and drainage
 design to be shown on the plans.

Non-Subdivision
Major Collector

Modified
Standard C-2



STATE OF ARIZONA

OFFICE OF THE ATTORNEY GENERAL

1275 WEST WASHINGTON, PHOENIX, AZ 85007-2926

JANET NAPOLITANO
ATTORNEY GENERAL

TRN Main: (602) 542-1680

Direct: (602) 542-8837

Fax: (602) 542-3646

MAIN PHONE: (602) 542-5025

FACSIMILE: (602) 542-4085

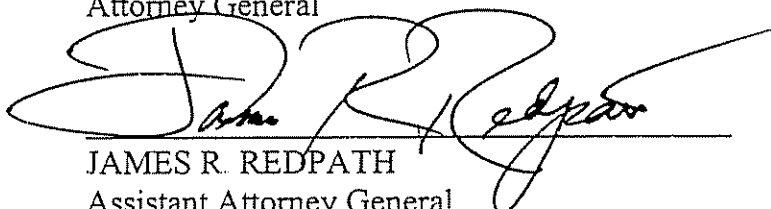
INTERGOVERNMENTAL AGREEMENT
DETERMINATION

A.G. Contract No. KR99-0650TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATED November 22, 1999.

JANET NAPOLITANO
Attorney General


JAMES R. REDPATH
Assistant Attorney General
Transportation Section

JRR:et/98905

Enc.